

BlueSky Community Trust Limited

Statement of Service Performance

For the year ended 31 July 2024

Why the entity exists:

BlueSky Community Trust Limited (BCTL) was set up to provide financial support to community organisations, it may make grants for any charitable purpose and any non-commercial purpose that is beneficial to the whole or a section of the community. Priority funding will be given to general public education; non-profit community cultural or arts festivals; recognised charitable organisations (e.g. Plunket, Salvation Army or Red Cross) to further the objectives of these groups, etc. The funds are raised via gaming machines in bars/taverns.

BCTL currently operates machines at the Auckland, Dargaville, Maramarua, Rotorua and Winton. The company is keen to operate at more venues, if the addition(s) would be viable.

Gambling can be a harmful activity for some people and BCTL acknowledges its social responsibility in this regard, actively supporting and managing harm minimisation at venues. The company's venue operators are equally active in this area, enforcing the current persons excluded from gaming while monitoring gaming activity to identify potential problems and intervene where necessary.

Outputs:

During July 2024 Financial Year, applicants received 41.80% of GST exclusive Gaming Machine Profit (GMP), (2023: 42.97% of GST exclusive GMP).

	2024	2023
Number of Applications	1,784	1,655
Total Requested	\$24,994,603	\$24,852,170
Average	14,010	\$15,016
Number Approved	1,094	1,011
Total Paid	\$11,164,307	\$12,073,692
Total Refunded	\$208,962	\$431,050
Average	\$10,014	\$11,516

All payments were for the direct or indirect benefit of the community, categorised as follows:

	2024	2023
Sport and Rec.	\$2,084,883	\$1,384,693
Health and Welfare	\$1,038,614	\$1,177,169
Arts and Culture	\$6,739,739	\$8,453,650
Educational	\$1,301,070	\$1,058,180

BCTL is subject to legislation and regulation that requires minimum returns to the community of 40% of GST-exclusive revenue. The company achieved the required community returns (Net Grants/ Total Income) in 2024 41.03% (2023: 41.78%) and accounting profit 41.89% (2023: 45.96%).

Other Information:

Funds Received

Gross Gaming Machine Profit was \$26.2 m excluding GST in 2024, a 3.27% decrease on \$27.1 m ex GST in 2023.

Funds Utilised

The Company's venues received \$4,077,251 ex GST (2023: \$4,219,535 ex GST) of gross revenue (16%), complying with regulations setting maximum payments to venues. Without a venue, BCTL would not exist and the company extends its sincere thanks and appreciation to the owners and staff of the different venues.

The Company minimises costs wherever possible, to maximise returns to the community. During 2024, the single largest (non-statutory) cost was Depreciation \$2,340,533 (2023: \$1,869,985), followed by Management Fees \$604,281 (2023: \$579,633), Gaming Machine Repairs & Maintenance \$391,749 (2023: \$292,401) and Interest Expense \$267,742 (2023: \$231,899).

Turning to the future, it is hoped and anticipated that gaming revenue will continue to perform at its current levels. The budget and forecast indicate that BCTL is on track to achieve 40% profitability and community returns during 2025.

SUMMARY FINANCIAL STATEMENTS

BLUESKY COMMUNITY TRUST LIMITED

FOR THE YEAR ENDED 31 JULY 2024

	Notes	2024	2023
SUMMARY STATEMENT OF COMPREHENSIVE REVENUE & EXPENSES			
INCOME			
Gaming Machine Profits		26,211,199	27,096,373
Other Operating Revenue		486,546	771,684
Total Revenue		26,697,745	27,868,057
EXPENDITURE			
Gaming Machine Duty & Problem Gambling Levy		6,354,119	6,568,703
Venue Rental		4,077,251	4,219,535
Depreciation		2,340,533	1,869,985
Legal Fees & Management Costs		705,882	652,874
Other Operating Expenses		1,767,500	1,516,567
Finance Costs		267,742	231,899
Total Expenses		15,513,027	15,059,563
Total Surplus for the year before distributions		11,184,718	12,808,494
Less: Net distributions		10,955,345	11,642,642
Net Surplus for the Period		229,373	1,165,852
SUMMARY STATEMENT OF CHANGES IN NET ASSETS/EQUITY			
Equity at Beginning of Year		2,316,855	1,151,003
Net Surplus for the Period		229,373	1,165,852
Equity at End of Year		2,546,228	2,316,855
SUMMARY STATEMENT OF FINANCIAL POSITION			
Current Assets		1,648,523	2,487,673
Non-Current Assets	3	3,935,150	3,161,980
Total Assets		5,583,673	5,649,653
Current Liabilities		2,424,503	2,602,434
Non-Current Liabilities		612,942	730,364
Total Liabilities		3,037,445	3,332,798
Net Assets		2,546,228	2,316,855
Represented by:			
Shareholders Equity		2,546,228	2,316,855

SUMMARY FINANCIAL STATEMENTS

BLUESKY COMMUNITY TRUST LIMITED FOR THE YEAR ENDED 31 JULY 2024

BASIS OF PREPARATION

1. Basis of Preparation

The statement of service performance and these summary financial statements are for Bluesky Community Trust Limited (the "Company") for the year ended 31 July 2024.

The summary financial statements are presented in New Zealand Dollars (NZD) rounded to the nearest dollar.

The comparative figures are for a period of twelve (12) months.

The summary financial statements are presented in summary form and therefore do not give all information required by Generally Accepted Accounting Practice in New Zealand using Public Benefit Entity Standards Reduced Disclosure Regime (PBE Standards RDR). The summary financial statements have been prepared in accordance with PBE FRS 43 Summary Financial Statements.

The full financial report for the Company has been prepared in accordance with Generally Accepted Accounting Practice in New Zealand using PBE Standards RDR.

Due to the summarised nature, these summary financial statements cannot provide a full understanding of the financial performance and financial position of the Company. The understanding can only be obtained by reference to the annual financial report of the Company which is available from the registered office.

2. Nature of Audit Opinion

The full financial reports for the years ended 31 July 2024 and 31 July 2023 have both been audited with unqualified audit opinions issued in respect of each.

3. Non-Current Assets

Non-current assets are made up of the following:

	2024	2023
Fixed Assets	<u>3,935,150</u>	<u>3,161,980</u>
	3,935,150	3,161,980

4. Term Debt

The term loans consists of 6 separate loans financed for 36 months. The interest rates range from 11.39% to 11.71% p.a. (2023: 11.47% to 11.76%). Finance is secured over gaming assets of the Company.

5. There is no capital commitment as at 31 July 2024 (2023: \$Nil)

6. At balance date there are no known contingent liabilities (2023: \$Nil)

The Directors authorised the publication of these Summary Financial Statements on30 October 2024...

Approved on behalf of the board:





JSA Audit Limited
is a CPA Practice



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REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS

To the Shareholders of BlueSky Community Trust Limited

Opinion

The summary financial statements, which comprise the statement of service performance, the summary statement of financial position as at 31 July 2024, the summary statement of comprehensive revenue & expenses, summary statement of changes in net assets/equity for the year then ended, and related notes, are derived from the audited general purpose financial report of BlueSky Community Trust Limited for the year ended 31 July 2024.

In our opinion, the accompanying summary financial statements derived from the audited financial statements of BlueSky Community Trust Limited for the year ended 31 July 2024 are consistent, in all material respects, with those financial statements, in accordance with FRS-43: Summary Financial Statements issued by the New Zealand Accounting Standards Board.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by Tier 2 Not-for-Profit PBE Accounting Standards – Reduced Disclosure Regime applied in the preparation of the audited general purpose financial report of BlueSky Community Trust Limited. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited general purpose financial report and the auditor's report thereon. The summary financial statements and the audited general purpose financial report do not reflect the events that occurred subsequent to the date of our report on the audited financial statements.

The Audited General Purpose Financial Report and Our Report Thereon

We expressed an unmodified audit opinion on the audited general purpose financial report in our report dated 30 October 2024.

Directors' Responsibility for the Summary Financial Statements

Directors are responsible on behalf of the entity for the preparation of the summary financial statements in accordance with FRS-43: Summary Financial Statements.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited general purpose financial report based on our procedures, which were conducted in accordance with International Standard on Auditing (New Zealand) (ISA (NZ)) 810 (Revised), Engagements to Report on Summary Financial Statements.

Other than in our capacity as auditor we have no relationship with, or interests in, BlueSky Community Trust Limited.

Who we report to

This report is made solely to the shareholders, as a body. Our audit has been undertaken so that we might state to the shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the shareholders as a body, for our work, for this report, or for the opinions we have formed.

JSA Audit Ltd

JSA AUDIT LIMITED
Parnell, Auckland
30 October 2024